GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1213
ANSWERED ON:07.12.2015
Import of Onions by MMTC
Owaisi Shri Asaduddin

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

a) whether the Metals and Minerals Trading Corporation of India (MMTC) has imported 1600 tons of onions from Egypt and China to meet the domestic demand and curb rising prices and if so, the details thereof indicating the rate at which onions were imported;

b) whether onion prices in the country have dropped sharply and there is no taker for these onions and if so, the details thereof;

c) whether MMTC has been compelled for sale of imported onions by making huge loss;

d) if so, the total loss suffered by MMTC on import and sale of onions; and

e) the corrective steps taken by MMTC to put in place a proper and robust mechanism in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) to (d) To meet the domestic demand and to curb the rising prices, MMTC on behalf of Department of Agriculture & Cooperation imported 1989 MT of onion of Chinese and Egyptian origin in two batches. A quantity of 1000 MT was imported at a price of USD 685 PMT and the balance quantity of 989 MT was imported at a price of USD 545 PMT. The imported onions arrived at JNPT port (Mumbai) between 1.10.2015 and 13.10.2015. Meanwhile, due to reasons such as arrival of Kharif onion in October, ongoing festivities and import of onions by private traders, no demand was forthcoming from the States or any Government agency for imported onions. This despite the fact that imported onion was offered by the Government at Rs.50/kg. at State capitals. As onion is highly perishable and susceptible to fast deterioration, it was decided, to allow MMTC to dispose of the onion through local auction. As per provisional assessment of accounts, the loss in transaction in imports of onions has been approximately Rs.8.03 crores, which would be borne out of Price Stabilisation Fund (PSF).

(e) Imports of Onions were undertaken as a price stabilization measure. For perishable commodities like onions which have short shelf life, losses could happen in case there is no firm demand from the State Governments or Central Government Agencies and further such commodities are subject to market prices and have to be disposed at best price received in tender.
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